

**STATEMENT REGARDING THE ACQUISITION OF
CONTROL OF OR MERGER WITH A DOMESTIC INSURER**

Filed with the Office of the Commissioner of Insurance,
State of Wisconsin

MGIC Credit Assurance Corporation
MGIC Reinsurance Corporation of Wisconsin
(Domestic Insurers)

By

Mortgage Guaranty Insurance Corporation
And
MGIC Investment Corporation
(Applicants)

Date: September 1, 2020

Name, title, address and telephone number of the individual to whom notices and correspondence concerning this statement should be addressed:

Heidi A. Heyrman
Vice President - Regulatory Relations
Mortgage Guaranty Insurance Corporation
250 East Kilbourn Avenue
Milwaukee, WI 53202
(414) 347-2646

PREFACE

This application relates to transactions involving Mortgage Guaranty Insurance Corporation (“MGIC”), MGIC Credit Assurance Corporation (“MCAC”) and MGIC Reinsurance Corporation of Wisconsin (“MRCW”).

Each of MGIC, MCAC and MRCW is organized as a Wisconsin stock insurance corporation. MGIC owns 100% of the shares of stock of each of MCAC and MRCW.

MGIC, MCAC and MRCW are affiliates in an insurance holding company system in which the ultimate controlling person is MGIC Investment Corporation, a Wisconsin corporation (“Investment”). Investment owns 100% of the shares of stock of MGIC.

ITEM 1. INSURER AND METHOD OF ACQUISITION

A. Merger of MRCW with and into MGIC.

MRCW proposes to merge with and into its parent, MGIC, under the terms of the Plan and Agreement of Merger attached hereto as Exhibit A – Plan and Agreement of Merger, with MGIC as the surviving corporation.

The location of the principal executive offices of each of MRCW and MGIC is 250-270 East Kilbourn Avenue, Milwaukee, Wisconsin 53202.

B. Assignment of Limited Liability Company Ownership Interest by MRCW.

Prior to the merger of MRCW into MGIC, MRCW proposes to assign all right, title and interest of MRCW, as the sole owner and member of MGIC Mortgage and Consumer Asset II, LLC, a Delaware limited liability company, to MCAC. As shown on the enclosed current organizational chart (Exhibit B), MGIC is the sole owner of MGIC Mortgage and Consumer Asset I, LLC, a Delaware limited liability company and the sole limited partner of four separate limited partnerships (the “Partnerships”). MGIC Mortgage and Consumer Asset II, LLC is the general partner of the Partnerships. The assignment is being made to maintain ownership of the general and limited partners of the Partnerships in two distinct entities.

C. Acquisition of MCAC as a Direct Subsidiary of Investment.

MGIC proposes to transfer its ownership of MCAC to Investment, after which MCAC would be a direct subsidiary of Investment rather than a direct subsidiary of MGIC. To effect the transaction, MGIC would dividend 100% of the issued and outstanding shares of MCAC owned by MGIC to Investment, the sole shareholder of MGIC stock.

The location of the principal executive offices of each of MCAC, MGIC and Investment is 250-270 East Kilbourn Avenue, Milwaukee, Wisconsin 53202.

MGIC and MRCW propose to complete the above-described transactions effective upon the non-disapproval by the OCI in response to this statement and subject to approval of the transactions by Fannie Mae and Freddie Mac (the “GSEs”) under their respective Private Mortgage Insurer Eligibility Requirements (“PMIERS”), and provided that MGIC has satisfied any other applicable insurance regulatory requirements.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANTS

- (a) Applicants: Mortgage Guaranty Insurance Corporation (“MGIC”) is the applicant with respect to the merger of MRCW with and into MGIC.

MGIC Investment Corporation (“Investment”) is the applicant with respect to the acquisition of MCAC.

- (b) Nature of Applicants’ Business: MGIC is wholly-owned by and the principal operating subsidiary of Investment. MGIC is a monoline mortgage guaranty insurance corporation licensed to write insurance in all 50 states of the U.S., the District of Columbia, Puerto Rico and Guam. MGIC and its predecessor companies have been engaged in the mortgage guaranty insurance business since 1957.

Investment is a Wisconsin-domiciled, publicly-held corporation (NYSE:MTG) incorporated in 1984 and is the ultimate controlling person in an insurance holding company system.

- (c) Organizational charts showing the insurance holding company system currently and following the proposed transactions are attached as Exhibits B and C, respectively. The

percentage ownership and control of voting securities for each affiliate is reflected in the organization charts. All entities identified in the organization charts are corporations or limited liability companies organized under Wisconsin law except as follows:

<u>Entity</u>	<u>Organization Type</u>	<u>Domicile State</u>
MGIC Reinsurance Corporation of Vermont	Insurance Corporation	Vermont
MGIC Mortgage and Consumer Asset I LLC	Limited Liability Co.	Delaware
MGIC Mortgage and Consumer Asset II LLC	Limited Liability Co.	Delaware
CMI Investors L.P. 2	Limited Partnership	Delaware
CMI Investors L.P. 5	Limited Partnership	Delaware
CMI Investors L.P. 8	Limited Partnership	Delaware
CMI Investors L.P. 9	Limited Partnership	Delaware

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANTS

- (a,b,c) The following information is provided for all of the directors and executive officers of MGIC and Investment, respectively. The directors of Investment are also the directors of MGIC. The business address for each of the individuals is:

MGIC
250 East Kilbourn Avenue
Milwaukee, WI 53202

Directors of Investment and MGIC:

Daniel A. Arrigoni was President and Chief Executive Officer of U.S. Bank Home Mortgage Corp., one of the largest originators and servicers of home loans in the U.S., until his retirement in 2013. Prior to his retirement, Mr. Arrigoni also served as an Executive Vice President of U.S. Bank, N.A. Mr. Arrigoni led the mortgage company for U.S. Bank and its predecessor companies since 1996. Mr. Arrigoni has over 40 years of experience in the residential mortgage and banking industries.

C. Edward Chaplin was President and Chief Financial Officer at MBIA Inc., a provider of financial guaranty insurance and the largest municipal bond-only insurer, from 2008 until 2016, and remained with MBIA as Executive Vice President until his January 1, 2017 retirement. He joined MBIA in 2006 as its Chief Financial Officer, after having served as a member of its Board of Directors from 2003 until 2006. Prior to joining MBIA, Mr. Chaplin was Senior Vice President and Treasurer of Prudential Financial Inc., a firm he joined in 1983 and for which he held various senior management positions, including Regional Vice President of Prudential Mortgage Capital Company. Mr. Chaplin also serves on the Board of Brighthouse Financial, Inc., a provider of life insurance and annuity products in the U.S.

Curt S. Culver has served as non-executive Chairman of the Board since 2015. He was the Chief Executive Officer of Investment from 2000 and the Chief Executive Officer of MGIC from 1999, in both cases until his retirement in 2015, and he held senior executive

positions with Investment and MGIC for more than five years before he became CEO. He is also a director of Wisconsin Energy Corporation and its subsidiary Wisconsin Electric Power Company.

Jay C. Hartzell has been President of the University of Texas at Austin since July 1, 2020. Before then he was Dean of its McCombs School of Business, a position he held since 2016. He joined the University of Texas in 2001 and held several key administrative roles at the McCombs School before being named Dean, including Senior Associate Dean for Academic Affairs, Chair of the Finance Department, and Executive Director of the School's Real Estate Finance and Investment Center. Prior to joining the University of Texas, Dr. Hartzell taught at the Stern School of Business at New York University.

Timothy A. Holt was an executive committee member and Senior Vice President and Chief Investment Officer of Aetna, Inc., a diversified health care benefits company, when he retired in 2008 after 30 years of service. From 2004 through 2007, he also served as Chief Enterprise Risk Officer of Aetna. Prior to being named Chief Investment Officer in 1997, Mr. Holt held various senior management positions with Aetna, including Chief Financial Officer of Aetna Retirement Services and Vice President, Finance and Treasurer of Aetna. Mr. Holt also serves as a director of Virtus Investment Partners, Inc. From January 2014 to February 2017, he served as a director of StanCorp Financial Group, Inc., which was a publicly-traded insurance products company until it was acquired in March 2016.

Kenneth M. Jastrow, II has served as the Lead Director since October 2009. He is a corporate director and private investor. During 2007-2015, he served as a non-executive Chairman of the Board of Forestar Group Inc., which engaged in various real estate and natural resource businesses. During 2000-2007, Mr. Jastrow served as Chairman and Chief Executive Officer of Temple-Inland Inc., a paper and forest products company, which during Mr. Jastrow's tenure also had interests in real estate and financial services. Mr. Jastrow is also a director of KB Home and Genesis Energy, LLC, the general partner of Genesis Energy, LP, a publicly-traded master limited partnership.

Jodeen A. Kozlak is the founder of Kozlak Capital Partners, LLC, a private consulting firm, and has served as its CEO since 2017. Ms. Kozlak previously served as the Global Senior Vice President of Human Resources of Alibaba Group, a multinational conglomerate (2016-2017). Ms. Kozlak also previously served as the Executive Vice President and Chief Human Resources Officer of Target Corporation, one of the largest retailers in the U.S. (2007-2016), and held other senior leadership roles in her 15-year career there. Prior to joining Target, Ms. Kozlak was a partner in a private law practice. Ms. Kozlak also serves on the Board of Directors of C.H. Robinson Worldwide, Inc.

Michael E. Lehman has served the University of Wisconsin in various capacities since March 2016, currently as Special Advisor to the Chancellor and Interim Chief Operating Officer of the Wisconsin School of Business, and previously as Interim Vice Provost for Information Technology, Chief Information Officer and Interim Vice Chancellor for Finance and Administration. He had previously been a consultant (2014-2016); Interim Chief Financial Officer at Ciber Inc., a global information technology company (2013-2014); Chief Financial Officer of Arista Networks, a cloud networking firm (2012-2013); and Chief Financial Officer of Palo Alto Networks, a network security firm (2010-2012). Earlier in his career, he was the Executive Vice President and Chief Financial Officer of

Sun Microsystems, Inc., a provider of computer systems and professional support services. During the past five years, Mr. Lehman also served as a director of Solera Holdings, Inc., until it was acquired by a private company.

Melissa B. Lora was President of Taco Bell International, a segment of Taco Bell Corp., which is a subsidiary of Yum! Brands, Inc., one of the world's largest restaurant companies, from 2013 until her retirement in 2018. Ms. Lora previously served in various roles at Taco Bell Corp., including Global Chief Financial and Development Officer (2012-2013), Chief Financial and Development Officer (2006-2012) and Chief Financial Officer (2001-2006). Ms. Lora also serves as Lead Independent Director for KB Home and as a director of ConAgra Brands, Inc.

Timothy J. Mattke has been Chief Executive Officer of Investment and MGIC since 2019. He served as Executive Vice President and Chief Financial Officer from 2014 to 2019, and Controller from 2009 to 2014. Before then, he held other positions within the Accounting and Finance Departments. Before joining MGIC in 2006, Mr. Mattke had been with PricewaterhouseCoopers LLP.

Gary A. Poliner was President of The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), the nation's largest direct provider of individual life insurance, and a member of its Board of Trustees, until his retirement from that company in June 2013, after more than 35 years of service. He was named President of Northwestern Mutual in 2010. Mr. Poliner also held various other senior-level positions at Northwestern Mutual, including Chief Financial Officer (2001-2008) and Chief Risk Officer (2009-2012). During a portion of 2016, Mr. Poliner served as a consultant for the Janus Funds, and since June 2016 he has served as an Independent Trustee of the Janus Funds (60 funds).

Sheryl L. Sculley is the former City Manager of the City of San Antonio Texas, the Chief Executive Officer of the municipal corporation, a position she held from 2005 until her retirement in April 2019. Prior to serving in that role, Ms. Sculley had been the Assistant City Manager (Chief Operating Officer) of Phoenix, Arizona from 1989 until 2005, the City Manager (Chief Executive Officer) of Kalamazoo, Michigan from 1984 until 1989 and in other city management roles before then.

Mark M. Zandi has been Chief Economist of Moody's Analytics, Inc. since 2007. Moody's Analytics is a leading provider of economic research, data and analytical tools. It is a subsidiary of Moody's Corporation that is separately managed from Moody's Investors Service, the rating agency subsidiary of Moody's Corporation. Dr. Zandi is a trusted adviser to policymakers and an influential source of economic analysis for businesses, journalists and the public, and he frequently testifies before Congress on economic matters.

Executive Officers of Investment and MGIC, as indicated below:

Timothy J. Mattke has been the Chief Executive Officer of Investment and MGIC since July 2019. Before then he served as Chief Financial Officer March 2014-July 2019; Executive Vice President April 2014-July 2019; Senior Vice President 2012-2014; Controller and Chief Accounting Officer 2010-2012; Vice President and Controller 2009-2010; prior to then Vice President (2006), Assistant Controller (2007) and Manager of Managerial Accounting and Research (2006).

Salvatore A. Miosi has been the President and Chief Operating Officer of Investment and MGIC since July 2019. Before then he served as Executive Vice President - Business Strategy and Operations 2017-2019; Senior Vice President - Business Strategy and Operations 2015-2017; Vice President – Marketing 2004-2015.

Nathan H. Colson has been the Executive Vice President and Chief Financial Officer of Investment and MGIC since July 2019. Before then he served as Vice President - Finance January 2019-July 2019; Assistant Treasurer December 2016-January 2019; Director Risk Management March 2016- December 2016; Senior Risk Analyst August 2014-March 2016. He was an auditor employed by PricewaterhouseCoopers 2006-2014.

James J. Hughes has been the Executive Vice President - Sales and Business Development of MGIC since January 2017. Before then he served as Senior Vice President - Sales and Business Development 2015-January 2017; Vice President, Managing Director 2001-2005.

Paula C. Maggio has been the Executive Vice President, General Counsel and Secretary of Investment and MGIC since September 2018. Before then she served as Executive Vice President – Law July-August 2018. She was the Executive Vice President, General Counsel and Secretary of Retail Properties of America, Inc. 2016-2018; Executive Vice President, General Counsel and Secretary of Strategic Hotels & Resorts, Inc. 2012-2015; Senior Vice President, General Counsel and Secretary 2007-2012; Vice President, General Counsel and Secretary 2004-2007; Vice President, Assistant Secretary and Associate General Counsel 2000-2004.

Steven M. Thompson has been the Executive Vice President and Chief Risk Officer of MGIC since November 2019. Before then he served as Vice President Risk Management 2000-2019.

Annette Adams has been the Senior Vice President – Chief Human Resources Officer of MGIC since August 2020. She was the Senior Vice President, Human Resources of Kohl's, Inc. 2016 – 2020; Vice President, Total Rewards 2012 – 2016; Director, Benefits 2007 – 2012 and Benefits Manager 2001 – 2007.

Robert J. Candelmo has been the Senior Vice President - Information Services and Chief Information Officer of MGIC since March 2019. Before then he served as Vice President - Chief Technology Officer 2014-2019. He was Senior Vice President of SunTrust Bank - Client Relationship Executive 2008-2014; Assistant Vice President of MetLife, Inc. – Enterprise Systems Solutions 1998-2008.

- (d) None of the named directors or officers has been convicted in a criminal proceeding (excluding traffic violations not involving death or injury) during the last 10 years.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

MRCW will be merged with and into MGIC and all shares of MRCW will then be cancelled. Investment will acquire ownership of MCAC as a result of the dividend by MGIC to Investment

of all shares of stock of MCAC. There is no other consideration associated with either transaction.

ITEM 5. APPLICANTS' FUTURE PLANS FOR THE INSURERS

MGIC Reinsurance Corporation of Wisconsin

MRCW will cease to exist upon the merger of MRCW with and into MGIC. The proposed transaction will improve the capital position of MGIC and its compliance with applicable regulatory capital requirements and will increase MGIC's "available assets" under the PMIERS.

MGIC Credit Assurance Corporation

MCAC is a wholly-owned subsidiary of MGIC and is licensed in 25 states and the District of Columbia. MCAC provides insurance to protect lenders against loss from defaults on second mortgages and home equity lines of credit. MCAC ceased writing new insurance business effective January 1, 2002, but continues to service its insurance in force on a run-off basis. Investment does not have any current plans to change the business, corporate structure or management of MCAC, to liquidate or merge MCAC with another entity, to sell any of its assets or for MCAC to declare a dividend following the acquisition of MCAC by Investment. Reorganizing MCAC as a direct subsidiary of Investment will provide greater flexibility for Investment's business operations.

ITEM 6. VOTING SECURITIES TO BE ACQUIRED

MGIC will acquire all 100,000 issued and outstanding shares of stock of MRCW as a result of the merger transaction. The MRCW shares will be cancelled following the merger.

Investment will acquire all 150,000 issued and outstanding shares of stock of MCAC in the form of a dividend from MGIC.

ITEM 7. OWNERSHIP OF VOTING SECURITIES

MGIC presently owns all shares of stock of MRCW and of MCAC. Investment presently does not own directly or have any rights to acquire beneficial ownership of any securities of MRCW or MCAC.

ITEM 8. CONTRACTS, ARRANGEMENTS OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

Not applicable.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES

Not applicable.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE

Not applicable.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS

There is no agreement, contract or understanding with any broker-dealer in connection with the proposed acquisition transactions.

ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS

MGIC's statutory financial statements for the years 2015 through 2019, and the quarterly statement for MGIC for the second quarter of 2020, are on file with the OCI and are incorporated herein by reference.

ITEM 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT

The Applicants agree to provide, to the best of their knowledge and belief, the information required by Form F within fifteen (15) days after the end of the month in which the acquisition of control occurs.

[Signatures on next page]

ITEM 14. SIGNATURE AND CERTIFICATION

Signature:

Pursuant to the requirements of Ch. Ins. 40, Wis. Adm. Code, Mortgage Guaranty Insurance Corporation and MGIC Investment Corporation have caused this application to be duly signed on their behalf in the City of Milwaukee and State of Wisconsin on the 1st day of September, 2020.

EXHIBITS

- Exhibit A: Plan and Agreement of Merger
- Exhibit B: Organizational Chart
- Exhibit C: Proposed Organizational Chart

MORTGAGE GUARANTY INSURANCE CORPORATION



Attest:

Handwritten signature of Paula C. Maggio in blue ink.

Paula C. Maggio
Secretary

By:

Handwritten signature of Timothy J. Mattke in blue ink.

Timothy J. Mattke
Chief Executive Officer

MGIC INVESTMENT CORPORATION



Attest:

Handwritten signature of Paula C. Maggio in blue ink.

Paula C. Maggio
Secretary

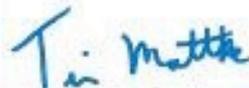
By:

Handwritten signature of Timothy J. Mattke in blue ink.

Timothy J. Mattke
Chief Executive Officer

Certification:

The undersigned deposes and says that he has duly executed the attached application dated September 1, 2020 for and on behalf of Mortgage Guaranty Insurance Corporation ("MGIC") and MGIC Investment Corporation ("Investment") and that he is the Chief Executive Officer of MGIC and of Investment and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.


Timothy J. Mattke

Subscribed and sworn to before me this 1st day of September, 2020.



Name: Heidi A. Heyrman
Notary Public
My commission is permanent.

